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SEATTLE MARINE TERMINAL OPERATORS/ PORT OF SEATTLE DISCUSSION AGREEMENT

FMC Agreement No. 201221

A Marine Terminal Operator Discussion Agreement

Expiration Date: None



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ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of this Agreement is Seattle Marine Terminal Operators/
Port of Seattle Discussion Agreement ("Agreement).

ARTICLE 2: PURPOSE OF THE AGREEMENT

The Parties recognize that the Port of Seattle ("Port) faces significant challenges in remaining a competitive port as conditions in the U.S. trades evolve, including due to its limited population base and local market, intermodal competition from other U.S. West Coast ports, and the increasing use by ocean carriers of ever-larger container vessels. The Parties believe that maintaining the competitiveness of the Port will serve the interest of the shipping industry and the taxpayers at the Port.

The purpose of this Agreement is to permit the Parties to discuss and agree upon issues regarding their operations, facilities, services, and other matters at the Port, in order to improve service, reduce costs, increase efficiency, and otherwise optimize conditions at the Port.

ARTICLE 3: PARTIES TO THE AGREEMENT

The parties to this Agreement ("Parties") are:

- (a) Port of Seattle 2711 Alaskan Way Seattle, WA 98121
- (b) Eagle Marine Services, Ltd. 16220 N. Scottsdale Road, Suite 300 Scottsdale, AZ 85254-1781
- (c) SSA Terminals, LLC

1131 Klickitat Way Seattle, WA 98134

- (d) SSA Terminals (Seattle), LLC 1131 Klickitat Way Seattle, WA 98134
- (e) Total Terminals, International, LLC 401 Alaskan Way South Seattle, WA 98104

ARTICLE 4: SCOPE

The geographic scope of the Agreement is the area in and around the Port, covering the Parties' activities relating to ocean transportation of cargo in the foreign and domestic commerce of the United States.¹

ARTICLE 5: AGREEMENT AUTHORITY

- **5.1.** The Parties, or any two or more of them, are authorized to meet, discuss, collect and exchange information, and agree on all matters relating to the following:
- a. All matters regarding rates, charges, rules and regulations applied by or applicable to any of the Parties through tariffs, marine terminal operator schedules, leases, or other agreements with marine terminal operators, ocean common carriers, the Port, or stevedores, in connection with services and facilities at the Port, including, but not limited to: wharfage, dockage, sheddage, interchange of equipment, free time, demurrage, detention, usage, rents, storage, handling, loading/unloading, licenses, berth assignments, management agreements, past, existing, or proposed leases, contracts and

¹ The antitrust immunity afforded this Agreement under 46 U.S.C. § 40307 shall not apply when activities or agreements thereunder exclusively and solely involve transportation in the interstate (or domestic) commerce of the United States.

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other privileges, rates, charges, classifications, rules, regulations, and practices. Any

agreement reached under this paragraph shall be on a voluntary, non-binding basis.

b. All matters relating to cargo handling, cargo handling equipment, cargo

handling areas, and gates at the Port, as well as the efficient use of the wharves and

berths, including infrastructure improvements and retrofitting at the terminals, including

cranes and other equipment.

c. All matters relating to marine terminal services at the Port, including past,

existing or proposed marine terminal services agreements with ocean common carriers or

any other contracts or agreements with service providers such as warehousemen,

equipment providers, environmental contractors, or providers of other services. Any two

or more Parties shall be authorized to negotiate, enter into, and implement joint terminal

services agreements with ocean common carriers.

d. Use of land transportation facilities and services at the Port, including

shared use of rail heads and on-dock rail facilities.

e. All matters relating to marine terminal facilities at the Port, including, but

not limited to, the nature and extent of the deployment and use, either individually or

collectively, of all or a portion of the Parties' respective facilities, equipment, and

personnel; past, present, or projected future cargo volumes at the Port, costs of terminal

and related operations, including costs of facilities, equipment, and personnel; means of

reducing such costs and operating more efficiently, including through coordinating the

use and/or expanded or reduced use of one or more of the Parties' respective facilities;

sharing of facilities and related equipment, and sharing their benefits and costs (including

through formation of a joint venture, joint operating company, or similar entity, which

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may or may not be separately formed or incorporated, and which may include one or more separate legal entities owned, established, controlled or retained in whole or in part by one or more of the Parties or their affiliates); investment in the Port or any terminal facility by one or more third parties; use of the facilities, including provision of terminal and related services to users of the facilities, such as ocean and land carriers, intermediaries, and cargo interests; and infrastructure at the Port, including the financing of infrastructure improvements by fees or otherwise.

- f. All matters relating to any or all of the Parties' past, current, or proposed leases at the Port, including the rates, terms, and conditions in such leases, and the modification, restructuring or revision of such leases. For purposes of this Agreement, the term "leases" includes any ancillary documents related to use of or access to facilities, including but not limited to access agreements, occupancy and operating permits, memoranda of understanding and other agreements with railroads related to terminal access and use, and sub-leases.
- g. All matters relating to environmental issues and impacts at the Port and/or compliance with environmental laws, regulations and permits applicable at the Port. This includes, but is not limited to:
- (1) All matters relating to water pollution and compliance with environmental requirements of federal, state, and local governmental and quasi-governmental bodies and port authorities, including with respect to the Clean Water Act, 33 U.S.C. § 1251 et seq., and related general and terminal-specific permits thereunder; storm water runoff, discharge, treatment, or other processing; discharge or treatment of ballast water; cold ironing; air pollution (including but not limited to diesel, greenhouse gas, and other air

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emissions); visual and noise impacts; and matters relating to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq.,

and/or hazardous waste/substances generally.

(2) The development, acquisition, testing, deployment, and use of equipment,

technology, or procedures related to compliance with environmental requirements of

federal, state, and local governmental and quasi-governmental bodies and port authorities

or to reduction of any environmental impacts of the Parties' operations.

(3) Seeking or providing sources of funds (including loans or grants from

federal, state and local governments and government agencies, quasi-government entities,

the Port, and other sources) to help fund initiatives to comply with environmental

requirements or to reduce any environmental impacts of the Parties' operations.

5.2. In carrying out the authority contained in this Agreement, the Parties

(or any two or more of them) are authorized to:

a. discuss and agree upon a common position with respect to any matter within

the scope of Article 5.1, and may (but are not required to) communicate such position to

other Parties;

b. discuss and adopt common positions regarding environmental issues affecting

the Port or any of the Parties and present such positions to third parties, including but not

limited to federal and state authorities and other interested persons. For purposes of this

paragraph, the term "environmental issues" includes but is not limited to matters

described in Article 5.1(g), traffic, movement of goods, truck and rail access to terminals,

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infrastructure development, efficient use of existing terminal infrastructure, and any other

matter relating to or affecting the environment at the Port.

c. meet, individually or as a group, with one or more users of the Port or its

terminal facilities (including inland carriers, ocean common carriers, intermediaries,

and/or cargo interests), federal, state and local government agencies and officials, other

stakeholders of the Port or the Parties, other port authorities, other terminal operators at

the Port, other ports, equipment manufacturers and providers and others to discuss any of

the matters set forth in Article 5.1;

5.3. Nothing in this Agreement shall be construed to alter or supersede the rights

and obligations of any Party under any applicable collective bargaining agreement.

5.4. The Parties (or any two or more of them) are authorized to obtain, compile,

maintain, exchange, and discuss information, including records, statistics, studies,

agreements, data and documents of any kind or nature, whether prepared by one or more

of the Parties or obtained from outside sources, relating to or for purposes of carrying out

the authority provided by Articles 5.1 and 5.2. Unless otherwise agreed, all information

exchanged by the Parties that is clearly labeled or identified as confidential information

shall be treated as confidential, proprietary and/or trade secrets by the Parties to the

Agreement, and shall not be disclosed to any unaffiliated third party without the express

consent of the Party(ies) that provided the information. Such information may be

disclosed to an affiliate, but only upon agreement of such affiliate to be bound to the

same level of confidentiality as is required of the Parties under this Agreement. It shall

not be a violation of this section to disclose information pursuant to lawful government

requests, court orders, or to the extent required under applicable public disclosure laws.

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5.5. The Parties (or any two or more of them) may hire and retain consultants, subcontractors, or other third parties to carry out the purposes of this Agreement or any responsibilities or duties discussed, established or agreed upon under this Agreement, subject to the involved Parties' agreement regarding costs in connection with such hiring. The Parties (or any two or more of them) may also meet, discuss, exchange information, and reach agreement with regard to the use of contractors, technology, databases, data, or information used by them or their affiliates.

5.6. The Parties (or any two or more of them) are authorized to obtain, compile, maintain, discuss, consider, agree and exchange information on all matters within the scope of this Agreement with respect to waterborne cargoes moving on the vessels of water carriers subject to subchapter II of chapter 135 of title 49 to, from, or via marine terminals within the geographic scope of this Agreement. This shall not derogate from or limit in any way the existing authority of the Parties to discuss foreign commerce cargo that may also be moving on such vessels.

5.7. Any agreement reached pursuant to this Agreement by the Parties, or by any two or more of them, shall not be implemented prior to compliance with the filing and effectiveness requirements of the Shipping Act and implementing FMC regulations, to the extent required by law

ARTICLE 6: ADMINISTRATION AND DELEGATION OF AUTHORITY

6.1. This Agreement shall be administered by the Parties and/or their duly authorized representatives. The activities authorized in this Agreement may be carried out through meetings, telephone communications, video conferences, electronic mail or other electronic communications, writings and/or such other means of communications as the Parties may deem appropriate. The Parties may establish such standing, advisory, and ad hoc committees as they deem desirable for the furtherance of the purposes of this Agreement. The parties are authorized to share administrative and other costs as they

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may agree from time to time.

6.2. The Parties are authorized (but not required) to retain a Secretary and/or any

other administrative officials to administer the Agreement as they may deem necessary

and appropriate. Subject to the direction of the Parties, such Secretary shall have general

responsibility for supervising and monitoring day-to-day activities under the Agreement,

including maintaining all records of the Agreement and administering all documentation

and reporting requirements applicable to or under the Agreement. The Secretary shall

make reports to the parties as required or directed from time to time, and shall take any

other actions as directed by the Parties to further the purposes of the Agreement.

6.3. The following are authorized to subscribe to and file this Agreement and any

accompanying materials, and any subsequent amendments to this Agreement with the

Federal Maritime Commission: (i) Any authorized officer of each of the Parties; and (ii)

legal counsel for each of the Parties.

ARTICLE 7: MEMBERSHIP

Membership is limited to the Parties, except that any other marine terminal

operator (within the meaning of the Shipping Act of 1984, codified at 46 U.S.C. § 40101

et seq.) at the Port may be admitted by unanimous vote of the Parties.

ARTICLE 8: VOTING

Except as otherwise provided herein or by the Parties, decisions hereunder shall

be reached by unanimous agreement of the Parties (or the Parties to a particular

agreement reached hereunder).

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ARTICLE 9: DURATION, TERMINATION, AND WITHDRAWAL

- 9.1. The effective date of this Agreement shall be the date it becomes effective under the U.S. Shipping Act of 1984, as amended, and it shall remain in effect until terminated by agreement of the Parties, or until all but one of the Parties withdraws.
- 9.2. Any Party may withdraw from the Agreement at any time by giving 30 days written notice to the other Parties (or to the Secretary if one is retained); provided, however, that such withdrawal shall not relieve a party (i) of any obligations for its share of Agreement administrative expenses for the period prior to the effective date of its withdrawal, or (ii) of its share of any existing Agreement financial obligation to a third party (e.g., a contract with a vendor), and provided further that neither withdrawal nor termination shall have any effect on the Parties' rights, obligations and/or liabilities vis-àvis another Party that previously accrued under the Agreement.

ARTICLE 10: LAW AND ARBITRATION

- 10.1. This Agreement shall be governed by and construed in accordance with
 U.S. maritime law, including the Shipping Act of 1984, as amended, codified at 46
 U.S.C. § 40101 et seq., and where U.S. maritime law is silent on a question, the laws of the State of Washington, without regard to provisions regarding conflicts of law.
- 10.2. Except as the parties to a particular dispute may otherwise agree, any dispute or difference arising out of or in connection with this Agreement which cannot be amicably resolved between or among any Parties shall in all cases be referred for resolution to a single arbitrator in Seattle familiar with corporate and/or maritime matters

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and the type of business conducted by the Parties who shall have no financial or personal

interest whatsoever in or with any Party and shall not have acquired a detailed prior

knowledge of the matter in dispute. The arbitrator shall be appointed by the mutual

agreement of the parties to the arbitration or, failing such agreement and upon application

by any party to the arbitration, by the American Arbitration Association ("AAA"). The

arbitration will be conducted pursuant to the commercial arbitration rules of the AAA.

Except by agreement of the parties to the dispute, discovery shall be limited to the

production of discoverable documents and the arbitrator shall have the power to subpoena

same.

The arbitrator's decision, including the written findings of fact and conclusions,

shall be final and conclusive; judgment may be entered on the award and the award shall

be enforceable in any court of competent jurisdiction; the arbitrator may allocate the cost

of arbitration to one or more participating Parties in a manner consistent with the award;

the arbitrator may not award exemplary or punitive damages.

ARTICLE 11: NON-ASSIGNMENT

Except as otherwise unanimously agreed in writing by the Parties, no Party shall

assign its rights or delegate its obligations under or pursuant to this Agreement to any

other person or entity.

ARTICLE 12: CONFIDENTIALITY

Each of the Parties for itself and on behalf of its employees, agents and

subcontractors hereby undertakes to the others, during the currency of this Agreement, as

well as after its termination or expiry, to keep confidential the contents of all information

(written or oral, except for information already in its possession other than as a result of a

breach of this Article, or in the public domain) concerning the business and affairs of the

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FMC Agreement No.: 201221 Effective Date: Sunday, December 1, 2013 Downloaded from WWW.FMC.GOV on Tuesday, May 22, 2018 others that it shall have obtained or received as a result of the discussions leading up to or the entering into or performance of this Agreement, subject to applicable public disclosure laws, applicable governmental or court requirements and Article 5.4 regarding information exchanges and disclosure to affiliates.

ARTICLE 13: INVALIDITY AND SEVERABILITY

Each term and provision of this Agreement shall be valid and enforceable to the full extent provided by law. If any provision of this Agreement shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the other provisions of this Agreement and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. The Parties hereby agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision which achieves to the greatest extent possible the economic, legal and commercial objectives of the invalid or unenforceable provision.

ARTICLE 14: AMENDMENT AND EMBODIMENT

This Agreement may not be amended, modified, or rescinded except in writing and duly signed by authorized signatories of each of the Parties, and subject to any applicable governmental filing requirements. Any amendment, addendum and appendix so signed shall constitute part and parcel of this Agreement.

ARTICLE 15: NOTICES

All notices pertaining to this Agreement, except as the Parties may otherwise agree, shall be sent by personal delivery or email, and shall be confirmed by mail or courier, to the person specified by the Party at the address set forth in Article 2.

ARTICLE 16: COUNTERPARTS

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This Agreement and any future amendment hereto may be executed in counterparts. Each such counterpart shall be deemed an original, and all together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized representatives as of this ____ day of October , 2013.

Port of Seattle
Must Bull for Tax Yshitain
Eagle Marine Services, Ltd.
SSA Terminals, LLC
SSA Terminals (Seattle), LLC
Total Terminals, International, LLC

IN WITNESS WHEREOF, the parties h	have caused this Agreement to be executed
by their authorized representatives as of this	_ day of October, 2013.
Port of Seattle	
Eagle Marine Services, Ltd. And Swell William Council Counsel	
SSA Terminals, LLC	
SSA Terminals (Seattle), LLC	
Total Terminals, International, LLC	

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed
by their authorized representatives as of this day of October , 2013.
Port of Seattle
Eagle Marine Services, Ltd.
SSA Terminals, LLC
Chief Operating Officer
SSA Terminals (Seattle), LLC
Praide + & COO
Total Terminals, International, LLC

by their authorized representatives as of this day of October , 2013. Port of Seattle
Port of Seattle
Eagle Marine Services, Ltd.
SSA Terminals, LLC
SSA Terminals (Seattle), LLC
Total Terminals International, LLC

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